

PROPOSAL

**To Seek Approval of a Comprehensive
Worker Credentialing Plan for Alabama**

Submitted to:

**The Alabama State Workforce Development
Planning Council**

By:

**The Worker Credentialing Task Force
Dr. Linda Young, Chairperson**

September 14, 2005

Background

Governor Bob Riley issued Executive Order 17 on December 30, 2003. Among other things, this Order created the Office of Workforce Development and charged it with better coordinating and targeting the state's workforce development resources. The Order also created the Alabama Workforce Development Planning Council and charged it with developing a comprehensive, interagency strategic plan for workforce development based on input from the state's workforce boards and other appropriate constituencies.

The Planning Council developed the 2005 Alabama Strategic Plan for Workforce Development and adopted it on September 23, 2004. The State Workforce Board adopted the Plan in September 2004. One of the Plan's initiatives called for the establishment of the Task Force on Worker Credentialing which was constituted and held its initial meeting on February 16, 2005. Dr. Tim Alford, Director of the Office of Workforce Development, charged the group with reviewing national best practices on worker credentialing and with recommending a related course of action to the Planning Council. At the initial meeting in February, Dr. Linda Young was named chairperson. Subsequently, national literature on the subject was reviewed and presentations were given on WorkKeys, Focused Industry Training, and the Career Readiness Certificate Consortium.

After appropriate review, discussion and deliberation by the Task Force, the motion to recommend that the Planning Council pursue the establishment of a worker credentialing program was unanimously adopted, and a subcommittee was named to develop a written proposal for that course of action. This document, which was subsequently reviewed and endorsed by other Task Force members, is the result of the subcommittee's deliberations.

Rationale

As indicated in publications by the Southern Growth Policies Board, the South's strategy for economic development is transitioning from emphasizing "land and labor" to stressing "technology and talent." This transition is driven by the necessity for Southern workers to meet the skill demands of the new and restructured jobs of a 21st century, global, innovation economy. A study published in January 2005 by Louisiana State University indicated that economic development site locations are currently based on a number of factors, but the first, second and third most important considerations in such locations and expansions are (1) workforce productivity; (2) workforce availability; and (3) workforce costs. There can be little doubt that the quality of Alabama's workforce is of paramount importance to attracting new jobs, retaining existing jobs, and creating an entrepreneurial environment where new businesses can start and grow. The quality of the workforce is thus the most important factor in determining Alabama's future prosperity and quality of life.

Since Alabama's workforce is the primary determinant of business growth, Alabama's economic and workforce development portfolio must contain an effective and measurable system to communicate the skills of its great workers to current and future businesses. Similarly, the state's education portfolio must contain a means of clearly indicating workers' skill deficits so such gaps can be closed. The Task Force believes that a well conceived and implemented comprehensive worker credentialing program would go far in meeting these workforce imperatives.

Purposes

The primary purposes of a worker credentialing program are to:

1. provide job-skills-based credentials to Alabama citizens to help them secure employment;
2. provide employers with workers who have documented skills;
3. create a pool of credentialed applicants whom employers can hire with confidence;
4. better match job seekers with appropriate jobs;
5. redirect job training programs (where needed) toward participant acquisition of appropriate applied job skills;
6. serve as a common language among educators, employers, and employees;
7. serve as benchmarks to guide employees' skill acquisitions for employment and subsequent promotions; and
8. provide emphasis to the importance of job skill acquisition as it relates to economic success on both individual and societal levels.

The Career Readiness Credential, an official documented recognition of a person's job skills, will demonstrate a positive return on investment by assisting the state in identifying and building a skilled workforce inventory and will help community development efforts by addressing issues such as:

1. documenting the nature and extent of Alabama's qualified workforce through a systematic approach to measuring, monitoring and improving workforce skills and will provide a common language for skills identification among business, labor, workforce development and education;
2. reducing unwarranted duplication and the associated costs of utilizing a variety of assessments which are currently used throughout business, government, and education;
3. retaining jobs and reducing unemployment by making it easier for job applicants to obtain jobs which match their skills and meet business needs;

4. matching credentialed skills with job skills so businesses will experience reduced employee training time and increase retention of existing workers. As a result, training costs will decrease or can be used more efficiently to train current employees for more highly skilled jobs within the organization;
5. helping people to correct skill gaps and enabling them to obtain jobs with sufficient wages for family self-sufficiency;
6. decreasing costs in hiring practices by reducing recruitment and turnover expenses. The business's pre-employment programs will be utilized less, generating a cost savings on such activities as: advertising, interviewing, conducting background checks, testing, training, and processing;
7. becoming a means by which the importance of job skills acquisition can be emphasized by government officials, economic developers, educators, workforce developers and others.

Administration

Working through the appropriate constituent agencies (e.g. Alabama Industrial Development Training (AIDT), Department of Postsecondary Education, Department of Education, et al.), the Governor's Office of Workforce Development will perform the overall coordination and administration of the program and maintain a comprehensive database. Such coordination will be based on direction from the State Planning Council. Constituent agencies will award credentials in coordination with the Governor's Office of Workforce Development based on criteria and procedures specified in the adopted implementation plan.

Recommendation

The Task Force recommends that a valid and reliable credentialing process based on the Focused Industry Training (FIT) Curriculum and/or ACT WorkKeys® be implemented. The process will be used to document what applicants know and can do. The resulting credentials documents will be portable and recognized by business and industry within and outside of Alabama.

The presence of a skilled, qualified workforce is the primary reason business and industry chooses to locate or expand in a particular area. Alabama's workforce development system must provide a means by which workers in Alabama are prepared to participate in the economy produced by new and expanding business and industry.

Focused Industry Training

- Provides a certification of worker competencies through a competency-based training and assessment system.
- Prepares each trainee with the employability skills necessary to work in Alabama's economy that are accepted and sought by Alabama industry.
- Provides the flexibility to meet the demands of a diverse industry base without diminishing the integrity of the training and assessment system.
- Provides the flexibility to meet the needs of trainees with varying skill and ability levels.
- Provides training that is aligned with Tests of Adult Basic Education (TABE) and General Educational Development (GED).
- Provides a web-based assessment and management system as well as printed assessments where needed.

WorkKeys

- Provides an assessment and credentialing process that improves the workplace academic and problem solving skill levels of participants and documents the skill level of the workforce in a designated area such as a county or region.

- Aids job seekers in seeking/obtaining employment and provides valuable information to employers in the hiring and promotion processes.
- Provides instruction in a prescriptive manner that addresses specific areas of weakness.
- Offers statistically valid and reliable assessments of workplace skills.
- Provides results that are legally defensible in the hiring process.
- Provides information online to assist individuals in making career and education decisions.

Participants

Individuals preparing for employment entry or upgrade through programs and services of The Alabama College System and other organizations in the state workforce development system.

Delivery Structure

FIT and WorkKeys assessments should be delivered through the existing education and workforce development system including: career/technical education (both secondary and postsecondary), adult education programs, career centers, Alabama Technology Network centers, and Training for Business and Industry.

Procedures for Awarding Credential

1. Award “Certified Alabama Worker” credential at the completion of the FIT program.
2. For trainees choosing to be assessed through WorkKeys, those scoring at a designated “readiness” level proceed directly to WorkKeys Applied Mathematics, Reading for Information, and Locating Information assessments. Those not scoring at the designated readiness level proceed to individualized targeted instruction. (Content of the targeted instruction is prescribed based on the difference between an individual’s test scores and the target skill levels. Once targeted instruction is completed, individuals proceed to the WorkKeys Applied Mathematics, Reading for Information, and Locating Information assessments.)
3. Individuals may receive a bronze, silver, or gold credential based on their WorkKeys scores. Bronze: score at level three or above on all assessments. Silver: score at level four or above on all assessments. Gold: score at level five or above on all assessments.

Summary

The Career Readiness Credential/s (by whatever name it comes to be known in Alabama) can be administered based on assessment and instruction at a public school, a Career Center, an adult education program, a juvenile justice program, a college program, the AIDT program, a career/technical school, a Workforce Investment Act youth program, a faith- or community-based organization, a DHR food stamp education program, by a business wishing to assess, elevate and document the skills of its employees or by any number of other providers.

The assessment provides a common language among businesses, educators, and workforce development professionals. It will document the skill level a person possesses when seeking a new job or career promotion, and can help to evaluate the applied job skill levels of persons exiting high school or college programs. It will enable businesses to be more confident in the people they hire and promote. The process also serves as a means of identifying skills gaps. With a comprehensive statewide program, these gaps can be closed in an educational environment, a career center, a business setting, a church, a public library or even in a person's home.

Key to the success of the initiative is business and industry use of FIT and/or WorkKeys as part of the hiring and promotion process.

Action Item Recommendations

1. The Task Force recommends that the Planning Council endorse worker skills credentialing for Alabama.
2. The Task Force further recommends that the Governor be briefed and that his endorsement be secured.
3. Funding for this initiative should be provided through state legislative appropriations, the adult education program administered by the Department of Postsecondary Education, the Workforce Investment Act, and additional grants procured to support the initiative.
4. The Planning Council will appoint an Implementation Committee from the Worker Credentialing Task Force and establish an implementation timeline. The Governor, along with key business and industry leaders, will announce this credentialing process as part of an Alabama Career Readiness Initiative. A marketing and communications plan will be developed and implemented.